1	2	3
2	Ramagundam TPS Extn. (A. P.)	2x250
3	Simhadri TPS (A. P.)	2x500
4	Kozhikode DGPP (Kerala)	120
5	Samalpatti Diesel Engin Power Plant (Tamil Nadu)	100
Eastern Region		
1	Katihar TPS (Bihar)	2x250
2	Kolaghat TPS (W. Bengal)	3x25
Andaman ? Nicobar Islands		
1	Diesel Gen. Plant at Bamboodat	4x5
North-Eastern Region		
1	Rokhia GT Ph. II (Tripura)	16

World Bank loan for development *of* powergrid system

138. SHRI KRISHNA KUMAR BIRLA: Will the Minister of POWER be pleased to state;

(a) whether the World Bank has announced to give $ 390 million loan for the development of a powergiid system in India;

(b) if so, the terms and reference of the loan, agreement;

(c) to what extent the county'a power transmission system would be improved; and

(d) by when project is expected to be completed and implemented?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) World Bank has agreed to provide US $50 million for System Development Project of POWERGRID.

(b) The World Bank loan is re-payable over 20 years including 9 years of grace period at thze Banks standard variable interests rate. The loan would be given to POWERGRID directly, with Government of India acting as a Guarantor for which a guarantee fee of 1 per cent per annum will be admissible to the Government.

(c) Implementation of this project will augment the transmisssion System improve the efficiency of power system operations, reduce transmission system' lasses and improve coordination and control facilities.

(d) Various components covered under the project are to be completed progressively by December Mat, 1989.

Government guarantee for private power projects

139. SHRI PRAMOD MAHAJAN:
SHRI VIREN J. SHAH:

Will the Minister of POWER be pleased to state:

(a) whether Government's atten? tion has been drawn to the newsitern

which apppered in the Economic Times dated 29th June, 1984 under the caption Power sector guarantee perverse; W.B. economist;

(b) if to, what are the facts in this regard; and

(c) What are the contemplated positive benefits oftlie Government's proposal in guaranteeing specific rate of return for Private Sector Power Projcts?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) Yes, Sir.

(b) and (e) 16% Return en Equity is one of the elements, of fixed cost which can be recovered at 68.5 per cent PLF. The rate of return earned by a company depends on its efficiency and level of performance. For generation, below 68.5 percent there is *a.* pro rata reduction in recovery of fixed charges. This tariff principle has been formulated to principle has been formulated to provide adequate security to the investors.

Improving the functioning of SEB's

140. SHRI GHUFRAN AZAM: Witt the Minister of POWER be pleased to state;

(a) whether Government's attention has been drawn to a newsitem captioned "Need to tone up SEBs stressed" as reported in the Statesman dated 21.6.1994;

(b) if so, whether the World Bank has cautioned about SEBs performances in its latest report;

(c) if so, whether Government propose to tone up the functioning of the SEBs to encourage private sector investment; and

(d) if so, the details thereof?

THE MINISTER OP STATE IN - THE MINISTRY OF POWER (SHRI P. V. RANGAYYANAIDU): and (b) Yes, Sir. In * its report entitled "India-Recent Economic Dtv elopments and Prospects" dated 27th May, 1994, World Bank bag opined that the progress in the power See-tors has been.' constrained 'due to the poor financial position of mlost of the

(c) and <d) A number of measures have been initiated to improve the functioning of the SEBs. These, inter-aiia, include signing and monitoring of Operational and Financial Action Plan (OFAP). by Power Finance Corporation (PFC), retionalisation of tariff, regular payment of rural electrification subsidy, by the State Governments, improvement in Plant Load Factor reduction in T and D losses, conversion of State Government loans into equity etc.

Performance awards for power plents

141. SHRI PARMBSHWAR -KUMAR AGARWALIA: Will, the. Min-ister of POWER-be pleased to state:

(a) whether Government have instituted pertormance]meritbrlous awards for the power plants in the country;

(b) if so, the basig for giving such awards and the related guidelines; and

(c) the details of the *awardees, year-wise, alongwith their specific achievements against (he laid down norms for each parameter during the last three year?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) Yes, the Govt has instituted a- performance Imeritorious awards scheme for thermal power stations in- 1993. Under this . scheme, operation & maintenance personnel are rewarded for their efforts to improve the -performance of the-station.